



**ARIZONA STATE SENATE**  
*Fifty-Third Legislature, Second Regular Session*

**AMENDED**  
FACT SHEET FOR S.B. 1055

charter schools; rulemaking exemption

Purpose

Provides a rulemaking exemption for the State Board for Charter Schools (Board).

Background

The Board was established in 1994 and currently oversees more than 500 charter schools. The 11-member Board is composed of: 1) the Superintendent of Public Instruction or designee; 2) six members of the general public, one of whom resides on an Indian reservation; 3) two members of the business community; 4) one charter school operator; and 5) one charter school teacher. The Board is responsible for granting charter status to qualified applicants and monitoring academic performance and fiscal compliance ([A.R.S. § 15-182](#)).

Currently, the Board's rulemaking process follows the steps outlined in administrative procedure statute, including the following:

- 1) determining that the proposed rule is not exempt from the rulemaking moratorium and requesting an exemption from the Governor's Office;
- 2) publishing a notice of docket opening with the Secretary of State's office and later submitting a notice of proposed rulemaking packet (A.R.S. §§ [41-1021](#) and [41-1022](#));
- 3) preparing economic, small business and consumer impact statements (A.R.S. §§ [41-1035](#) and [41-1055](#));
- 4) gathering stakeholder and public comments and scheduling an oral proceeding based on written requests on the notice of proposed rulemaking ([A.R.S. § 41-1023](#));
- 5) making any rule revisions based on public comment or, if the revisions are substantial, filing a notice of supplemental proposed rulemaking ([A.R.S. § 41-1025](#));
- 6) submitting notice of final rulemaking and final economic, small business and consumer impact statements to the Governor's Regulatory Review Council (GRRC) and the Administrative Rules Oversight Committee (A.R.S. §§ [41-1031](#), [41-1035](#), [41-1046](#) and [41-1052](#)); and
- 7) addressing any revisions to rulemaking and filing approved rules with the Secretary of State's office.

Currently, the Arizona Board of Regents, State Schools for the Deaf and Blind and State Board of Education (SBE) are exempt from the publication of agency rules, rulemaking procedures, the Attorney General review of rulemaking and the GRRC process.

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Exempts the Board from the following rulemaking requirements, unless otherwise required by law:
  - a) publication of agency rules;
  - b) rulemaking procedures;
  - c) the Attorney General review of rulemaking; and
  - d) the GRRC process.
2. Requires the Board to adopt rulemaking procedures for the Board and charter schools sponsored by the Board.
3. Requires the Board to provide notice and two opportunities for public comment on proposed rules and policies.
4. Specifies the Board shall adopt rules and policies that the Board deems necessary to accomplish its statutory purpose.
5. Requires the Board and the SBE to consider the fiscal impact of any proposed rule.
6. Makes technical changes.
7. Becomes effective on the general effective date.

Amendments Adopted by Committee

- Removes language requiring the SBE to provide at least two opportunities for public comment when implementing or changing policy and requires the Board and the SBE to consider the fiscal impact of any proposed rule.

Senate Action

ED                      1/11/18    DPA    7-0-0

Prepared by Senate Research

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